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***** **ALERT ALERT ALERT ALERT** *****

More Than 800 People Over Age 65 Affected

MARYLAND INSURANCE ADMINISTRATION ENTERS INTO CONSENT AGREEMENT WITH COMPANY SELLING HEALTH INSURANCE TO BETHLEHEM STEEL RETIREES

The Maryland Insurance Administration (MIA) today entered into a Consent Agreement with United American Insurance Company, the company selling health insurance policies to Bethlehem Steel retirees eligible for Medicare through the National Employee Benefit Companies, Inc. (NEBCO), and the Retired Employees Benefit Coalition (REBCO). Under the consent agreement, United American will immediately stop selling the REBCO Medicare Supplement plan to people who are 65 years of age and over. In addition, the company will refund, within 10 days (by May 12), the total amount paid by the applicants.

Under Federal and State law, Medicare Supplement plans must have standard benefits. The REBCO Medicare Supplement plans do not have the standard benefits. United American received more than 800 applications along with premium payments and must now return the applications and all of the money.

The affected applicants can still buy a range of standard Medicare Supplement policies available for sale in Maryland.

All Bethlehem Steel retirees have a number of options for health insurance.

- They can select the COBRA option provided by Bethlehem Steel.

-More-

MIA Consent Agreement Add One

- If they are over age 65, they can purchase Medicare Supplement plans A, B, C, or F from any insurer who sells Medicare Supplement plans in Maryland. A list of all companies selling Medicare Supplement plans is available on the MIA web site, www.mdinsurance.state.md.us.
- If they are under age 65, but eligible for Medicare due to a disability, they can purchase plans C and I from any insurer who sells these plans in Maryland to people over 65.
- Once the Pension Benefit Guaranty Corporation begins paying the retiree's pension, the retiree will qualify for protections provided by the newly enacted House Bill 1100. This new law requires that insurers who sell Medicare Supplement policies in Maryland "guarantee issue" the Bethlehem Steel retirees the plans sold in Maryland. Retirees can choose any of the plans sold, but are required to apply for coverage within 63 days of the date the group coverage terminated.
- At least one company is offering prescription plans H and J. That company mailed information to all Bethlehem Steel retirees on May 2.

Additional information about health insurance options for Bethlehem Steel employees and retirees can be found on the MIA web site, www.mdinsurance.state.md.us, or by calling the MIA at 1-800-492-6116.

The Consent Agreement is also available on the MIA web site.